

2025 M STREET, N.W.
WASHINGTON, D.C. 20506

MANDATE

The Foreign Relations Authorization Act of 1972 (P.L. 92-352, July 13, 1972) established a joint Presidential-Congressional study commission to submit to the Congress and the President findings and recommendations "to provide a more effective system for the formulation and implementation of the Nation's foreign policy."

In describing the duties of the Commission the law states that "the Commission shall study and investigate the organization, methods of operation, and powers of all departments, agencies, independent establishments, and instrumentalities of the United States Government participating in the formulation and implementation of United States foreign policy." In carrying out its responsibilities, the Commission may make recommendations with respect to the reorganization of the departments and agencies, more effective arrangements between executive branch and Congress, improved procedures among departments and agencies, the abolition of services, activities and functions not necessary to the efficient conduct of foreign policy, and "other measures to promote peace, economy, efficiency and improved administration of foreign policy."

The report of the Commission, which is to be submitted to the President and the Congress by June 30, 1975, may include "proposed constitutional amendments, legislation, and administrative action considered appropriate in carrying out its duties." The Commission, in performing its responsibilities, is authorized to hold hearings, subpoena witnesses and secure directly information from any executive department or agency.

COMMISSION MEMBERS

The Commission is composed of twelve members, four each appointed by the President of the Senate, the Speaker of the House, and the President. The members are:

THE HONORABLE ROBERT D. MURPHY - Chairman
Corning Glass International
New York, New York

THE HONORABLE JAMES B. PEARSON - Vice Chairman
United States Senate

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MRS. ANNE ARMSTRONG
Counsellor to the President
White House

THE HONORABLE WILLIAM J. CASEY
Ex-Im Bank

MRS. CHARLES W. ENGLEHARD, JR.
Far Hills, New Jersey

MR. AREND D. LUBBERS
President, Grand Valley State College
Allendale, Michigan

MR. FRANK C. P. McGLINN
Executive Vice President
Fidelity Bank
Philadelphia, Pennsylvania

THE HONORABLE Peter Frelinghuysen
House of Representatives

THE HONORABLE MIKE MANSFIELD
United States Senate

DR. STANLEY P. WAGNER
President, East Central State College
Ada, Oklahoma

THE HONORABLE CLEMENT J. ZABLOCKI
House of Representatives

COMMISSION STAFF

FRANCIS O. WILCOX is the Executive Director of the Commission and FISHER HOWE is the Deputy Executive Director. Former Senator WILLIAM B. SPONG, JR., is General Counsel to the Commission. The Commission offices are located at 2025 M Street, N. W., Washington, D.C. 20506. Telephone (202) 254-9850.

June 1, 1973
CCG/FP STAFF 1

COMMISSION ON THE ORGANIZATION OF THE GOVERNMENT
FOR THE CONDUCT OF FOREIGN POLICY

2025 M STREET, N.W.
WASHINGTON, D.C. 20506

STATEMENT OF OBJECTIVES

The objective set forth in the first section of the legislation authorizing the Commission is simple and straightforward: "to submit findings and recommendations to provide a more effective system for the formulation and implementation of the Nation's foreign policy." The statute goes on to specify the kinds of recommendations sought. It directs that they address "the reorganization of the departments, agencies ... and instrumentalities of the Executive Branch participating in foreign policy matters; ... improved procedures among those departments and agencies; the abolition of unnecessary activities and functions; and such other measures as may serve "to promote peace, economy, efficiency and improved administration of foreign policy." In addition to these issues, all concerned with the functioning of the executive branch, the Commission is directed to recommend "more effective arrangements between the executive branch and Congress, which will better enable each to carry out its constitutional responsibilities."

The mandate of the Commission, in short, is not to concern itself directly with the substance of foreign policy, but to propose improvements in the means by which, in both the executive and legislative branches, foreign policy is made and implemented.

In order to focus and direct its inquiries and the work of its staff, the Commission finds it useful to amplify that statement of objectives with further comments of two kinds. Some concern the characteristics the Commission believes "a more effective system" of foreign-policy-making should possess. Others address the problems of making the work of the Commission itself effective.

Elements of Governmental Effectiveness

Any effective system for the formulation and implementation of foreign policy will possess certain characteristics. Those to which this Commission expects to give highest priority

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are the following:

That in the FORMULATION of policy, decisions should be based upon --

- (a) a continuing analysis of major trends and developments in the changing world environment;
- (b) a coherent conception of both the immediate and longer-range objectives of this country;
- (c) the best obtainable information from a wide range of sources;
- (d) rigorous and objective analysis of implications flowing from available information;
- (e) a careful balancing of the full range of relevant considerations -- specifically including domestic political and economic factors;
- (f) the consideration of a full range of realistic alternative courses from which to choose;
- (g) adequate coordination and consultation with those who should participate in the policy process;
- (h) procedures which keep to the minimum the decisions which must be made at the top.

That in the IMPLEMENTATION of policy, decisions should be --

- (a) communicated to those responsible or affected by them in a clear and timely fashion;
- (b) monitored to insure that those decisions promptly become policy in fact as well as in word;
- (c) reviewed and evaluated in their effects through a continuing process of reassessment.

Studies Program

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That in both FORMULATION and IMPLEMENTATION --

- (a) the commitment of resources -- personnel and budgetary -- be appropriate in scale and skill to the task;
- (b) the several processes operate in as open and public a manner as their nature makes possible, and
- (c) all actions taken be broadly consistent with the public's sense of the nature of U.S. interests and the means legitimate to advance those interests.

The role of the Congress is critical in both the formulation and implementation of foreign policy. The organization of the Congress for these purposes, however, can only be determined by the Congress itself. Nevertheless, the Commission will explore various arrangements concerning the organization, jurisdiction, and staffing of the Congress, and the information and analytic support which might be helpful to it in the conduct of foreign policy.

The Commission will also examine the organizational and procedural arrangements important to the relationship between the legislative and executive branches in the conduct of foreign policy. In particular, the Commission will examine the flow of information and consultation between the two branches.

Making the Commission Itself Effective

The Commission anticipates two principal problems in making its own work effective. The first is that organizational arrangements must in some degree depend on both the personal preferences and the policy predilections of top-level officials. Clearly, therefore, no single best organizational framework for the future can now be authoritatively established. The Commission, therefore, expects to propose single preferred arrangements for those kinds of foreign policy issues which can be resolved at levels of government below the very top, and which consequently need not reflect so directly the decision-making style of particular individuals. As to the kinds of issues which inevitably receive the attention of heads of departments, chairmen of Congressional committees and presidents, the Commission expects to propose alternative methods of organization, any of which might be serviceable and one

Subj: Statement of Objectives

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of which would be preferable, depending on the working styles of the senior officials. In addition, the Commission will undertake to specify the criteria which it believes any organization framework, at all levels, should meet.

The second and larger problem is posed by the fact that many of the issues which this Commission will examine have been addressed by prior commissions, study groups and task forces and that the practical results of many of these studies have been meager. We believe there may have been two principal reasons for this fact. The first is that for every proposed organizational change substantial costs or disadvantages as well as benefits can be discerned. They are proposals therefore on which, if the experience and judgment of individuals are the only basis for decision, reasonable men may reasonably disagree. And few prior studies were able to offer their readers any other basis of decision; they did not present a body of evidence to show that the advantages of their recommendations would clearly outweigh the costs or disadvantages. The second reason appears to be that in many cases prior commissions were unable to enlist in the development and review of their recommendations the full participation of the several agencies, departments and indeed branches of government which would be affected by them.

This Commission recognizes an obligation, therefore, to present not merely a set of recommendations and their rationale, but a body of evidence which suggests that such recommendations, if implemented, can reasonably be expected to produce beneficial results. It recognizes also an obligation to offer the many parties inevitably affected by such recommendations the opportunity to comment critically on them and to offer alternative suggestions.

The Commission also recognizes that there may be circumstances under which it can advance the cause of improved organization for foreign policy prior to the issuance of its final report. As its views on appropriate organizational changes develop, therefore, it expects to consult with the officials now responsible for the conduct of foreign policy to determine whether organizational changes which they may be contemplating deserve the Commission's support.

Means to Those Ends

Accordingly, the Commission expects its own work and that of its staff to involve, among others, the following activities.

1. A thorough review of the findings and recommendations of previous relevant studies and reports.
2. A solicitation of the views of a larger number of public and private persons with experience in the analysis or operation of foreign policymaking.
3. A detailed canvassing of the attitudes and desires of members of Congress with respect to the appropriate role for Congress in the making of foreign policy and the means necessary to the effective performance of that role.
4. An intensive study program designed both to canvass existing materials and to develop fresh sources of information on the potential benefits and probable effects of alternative organizational arrangements.

Prospectives on the Commission's Assignment

We undertake this effort and believe it to be important not alone to deal with any inadequacies in our government's current organization for the conduct of foreign policy but for two other reasons as well.

The first has to do with complexity. The world is now not bi-polar but multi-polar. We can no longer neatly divide the nations of the world into antagonists, allies, and neutrals. The pace of technological change increases. The interdependencies of nations become more numerous and more sensitive. Even more pertinent, many of the most important problems are no longer clearly "domestic" or "foreign"; they cannot therefore be adequately dealt with in existing organizational frameworks. In this setting the tasks of foreign policy grow more numerous, more subtle, and more direct in their impact on our daily lives. Some changes in the organization of our government to perform those tasks may therefore prove highly beneficial.

The second reason has to do with power. From the end of World War II until very recently the power and influence of the United States were sufficient to insure that its principal objectives would be attained even where those objectives were only simply perceived and crudely pursued. Those days have gone, and they are not likely to return. Our margin of error is considerably reduced. If the United States is to attain its ends in the future, it must formulate and implement its policies with far greater foresight, precision and control. Here again, organizational changes may prove useful.

It is with the expectation of making substantial contributions to these ends that the Commission pursues its work.

bruary 20, 1974

74-4557

COMMISSION ON THE ORGANIZATION OF THE GOVERNMENT
FOR THE CONDUCT OF FOREIGN POLICY2025 M STREET, N.W.
WASHINGTON, D.C. 20506

August 8, 1974

The Honorable William E. Colby
Director
Central Intelligence Agency
Washington, D. C. 20505

Dear Bill:

As the Commission on the Organization of the Government for the Conduct of Foreign Policy moves from the briefing phase to the phase of study in depth of some selected features, I would like to outline for you our approach in the area of intelligence. Intelligence obviously plays a major role in the formulation and execution of foreign policy. We would like to identify that role clearly and look at various ways intelligence could make an even better contribution to foreign policy deliberations. This will require us to be aware of some of the organizational aspects of the intelligence relationship to foreign policy and to assess the ways in which intelligence contributes to foreign policy, from the raw report to the finished estimate. We must also cover the degree of success our intelligence has and can hope to have in accurately reporting events abroad and projecting their likely future directions. I think we must include a review of the political costs involved in intelligence operations where they do cause problems for foreign policy. As a related but somewhat separable issue, we will need to identify the role in our foreign policy of what is called covert action and come to some judgments on its desirability, extent and decision-making process.

On the other hand, I do not view the Commission's function as reviewing and making recommendations on the organization of our intelligence services and community, its budgets, personnel strengths, etc., or the details of its operations and procedures. The Commission will not be conducting an investigation of the organization of intelligence itself, but, rather, the role of intelligence as it affects the conduct of our foreign policy. In order to make informed judgments on the latter, of course, we must be aware of some of these matters as necessary background, but I want to assure you that the thrust of our work will be in the latter category. I share what I know is your great concern about the necessity to protect the sensitive operational aspects of the intelligence effort. We will conduct our inquiry and maintain our records so as not to expose such matters.

As you know, we have consulted a number of experts to help the Commission draw up a Study Plan, and I enclose a copy of their suggestions for your information. The plan would operate under the close supervision of our Executive Director Francis Wilcox and his Deputy Fisher Howe. It will be

The Honorable William E. Colby

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will

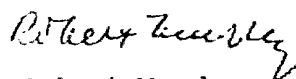
noted that Mr. William J. Barnus/draw up Paper #1 and #2 on "Intelligence Functions and Policy Making in the Institutional Context"; Mr. Clinton W. Kelly III, Paper #3 on "Innovation in Intelligence Production", and William R. Harris, Paper #4, on "Authority for the Conduct and Management of Foreign Intelligence".

As you will note from the enclosure, there will be an "all source" study project under Intelligence Project Director Mr. Kent Crane, which will include analysis of past studies and reports on the intelligence community. He and others will be discussing with you the specifics of these studies and be sure that appropriate clearances are obtained and other arrangements made.

The Commission is most grateful for your cooperation and encouragement in the initial phase of our work.

With warm regards

Yours sincerely,



Robert Murphy
Chairman

RM:lb
Enclosures

— September 20, 1974

MEMORANDUM

TO: The Intelligence Subcommittee

SUBJECT: Study Plan and Study Group

Pending the formation of the Subcommittee for National Security and Intelligence, the staff proceeded with plans for review of intelligence matters pertinent to the Commission's mandate and initiated research studies on several aspects of the subject to be ready for a study group's deliberation. The Study Plan, including a short outline of the research now underway, is enclosed.

If the Subcommittee approves the concept, a Study Group should be formed comprised of the Subcommittee members supplemented by five or six knowledgeable public citizens. It is presumed that, although the function of Intelligence in the Government involves many technical matters and much that is highly classified, the deliberations of the Subcommittee, and indeed of the Commission as a whole, will be greatly enhanced by the participation of a variety of distinguished private citizens who can bring to the discussion differing backgrounds of experience and views. Specialists and experts can be marshalled to provide support. A "fresh" approach may indeed be the important contribution the Commission can make in this area.

A suggested composition of the Study Group is set forth in a memorandum enclosed.

The Subcommittee should bear in mind that for a number of years the President's Foreign Intelligence Advisory Board, (PFIAB) composed of private citizens, has existed to advise the President on Intelligence matters and has had the Intelligence Community under constant review. The Subcommittee clearly does not want to duplicate the work of PFIAB nor fail to use the fruits of its deliberations. On the other hand, the Commission's mandate would probably indicate that the nature of PFIAB and the contribution that it has made should be explored by the Subcommittee, even as it is examining comparable advisory boards and commissions for such other important functions as

Memo

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aid, cultural affairs, foreign information and arms control.
The present membership of PFIAB is as follows:

Anderson, George W., Jr.
Baker, William O.
Cherne, Leo
Connally, John B.
Foster, John S., Jr.
Galvin, Robert W.
Gray, Gordon
Land, Edwin H.
Luce, Clare Boothe
Rockefeller, Nelson A.
Teller, Edward

At some stage the Study Group will probably want to meet with PFIAB.

F.H.

September 23, 1974

MEMORANDUM

SUBJECT: Subcommittee/Study Group on Intelligence and Covert Action

An outline of proposed activity for the Intelligence Subcommittee, as expanded into a Study Group, is set forth as follows:

1. The Key Substantive Issues

The basic issues for consideration by the Subcommittee/Study Group presented in Enclosure A.

2. Relevant Material Available to the Subcommittee/Study Group

- (a) Major Institutional Report: A letter (12 pages) from DCI Colby to Chairman Murphy outlining formal procedures and organization throughout the intelligence community.
- (b) Major Institutional Hearings (19-20 November 1973): Testimony of DCI Colby; Ray Cline and William Porter from the State Department; and Dr. Hall and Admiral de Poix from the Defense Department. (Summaries of 7-9 pages are available for each one.) The CIA and State testimony is more thoughtful and less rigid than the Defense testimony, but few organizational and procedural changes are recommended by any of them.
- (c) Research Program Case Studies: Some important intelligence matters, including especially an examination of the usefulness of intelligence support in a variety of specific foreign policy situations, will be addressed in the case studies of the Commission's Research Plan.
- (d) Analytical Studies: A set of intelligence analytical issue papers is being prepared under the direction of Dr. William Harris. The papers, between 25 and 75 pages, will be a critically important contribution to the Subcommittee/Study Group deliberations.

Subj: Subcommittee/Study Group on Intelligence and Covert Action

They will be available in late October and will cover the following topics:

1. An overview of intelligence functions;
 2. Intelligence and policy-making in the institutional context;
 3. Innovation in intelligence production;
 4. The authority for foreign intelligence;
 5. Intelligence resource management; and
 6. Covert action.
- (e) An All-Source Study: An all-source study project is being mounted by J. J. Hitchcock, under the direction of Kent Crane, to analyze past studies and reports on the intelligence community. This limited-access report, of between 30 and 50 pages, will be available in late October.
- (f) Recommended Reading: Enclosure B is a short bibliography of particularly useful books and articles.

3. Suggested Plan of Subcommittee/Study Group Action

A total of perhaps five or six 2-day meetings spread over a period of four months will probably be required to review the materials and prepare findings and recommendations:

- (a) A meeting in conjunction with the October Commission meeting to review the key substantive issues in Enclosure A and the outlines for the Analytical Studies (2d above) and "All Source Study" (2e above).
- (b) Second and third meetings in November primarily to discuss with the authors the papers developed in the "Analytical Studies (2d above) and the "All Source Study" (2e above).
- (c) Fourth and fifth meetings in December and early January for the preparation of findings and recommendations.
- (d) A final meeting in January to discuss and revise as necessary a Subcommittee/Study Group report to the Commission.

ENCLOSURE A

The Key Substantive Issues

a. General

What is the proper function performed by intelligence in support of the conduct of foreign policy?

b. Intelligence Analysis

- (1) How can the relationship between the producers and consumers of finished intelligence be improved?
- (2) In the process of analysis to produce finished intelligence, what are the roles best played by the State Department (INR), the Defense Intelligence Agency, and the various analytical offices in the CIA?
- (3) What should be the system for producing National Intelligence Estimates?
- (4) What new forecasting and scoring techniques should be applied to intelligence analysis?

c. Collection of Information for Foreign Policy Support

- (1) What is the best organization for the collection of raw information of use to the foreign policy community - either directly or in support of intelligence analysis? What is the best procedure for setting priorities, allocating missions, and controlling collectors overseas?
- (2) What are the strengths and weaknesses of collection by Foreign Service Officers, CIA Stations, military attaches, and technical sensors?
- (3) How can intelligence resources be of greater assistance in new fields and in support of new potential customers?
- (4) What are the best mechanisms for providing feedback to the collectors and analysts?

D. The Role of the DCI

- (1) What is the most desirable relationship of the

Director of Central Intelligence to the President and National Security Council? What should be the extent of his authority over the full range of intelligence programs, military as well as civilian?

- (2) What changes, if any, are called for in the statutory base and general authorities for foreign intelligence?

e. Resource Management

- (1) Since the overwhelming share of the combined intelligence budget is expended by DoD agencies, with practical constraints upon intervention by the DCI or his Intelligence Community Staff, what are the implications for the reorganization of DoD intelligence management?
- (2) If there are systematic misallocations of resources, what organizational or legislative reforms are advisable?

f. Covert Action

- (1) What are the pros and cons of maintaining a capability for covert action, and what criteria ought to govern its use?
- (2) Where should the responsibility for covert action be lodged, and under what controls should it operate?

g. Congressional Oversight

What kind of Congressional oversight should be applied to intelligence activities and to covert political action? (NOTE: THIS SUBJECT WILL BE REVISED IN THE FIRST INSTANCE IN SUBCOMMITTEE I AS A FUNCTION OF THE LARGER SUBJECT OF CONGRESSIONAL EXECUTIVE RELATIONS.)

ENCLOSURE B

Recommended Reading

- (a) The Intelligence Establishment, by Harry Howe Ransom, Cambridge, 1970. The most thorough and best balanced treatment of the intelligence community by any academic (254 pages).
- (b) The U.S. Intelligence Community, by Lyman Kirkpatrick, Jr., New York, 1973. The view from the inside by one of the old timers in the intelligence business. A somewhat shallow, but quite reliable, survey (191 pages).
- (c) The CIA and the Cult of Intelligence, Marchetti and Marks, 1974. A comprehensive and current discussion of the issues, albeit highly one-sided and biased. The authors admit the utility of intelligence analysis in principle but come out strongly against covert operations (337 pages).
- (d) "The CIA and Decision Making" article by Chester Cooper in Foreign Affairs, 1972. A provocative paper on the problems of estimating and the relationship between intelligence and policy-makers (13 pages).
- (e) "Intelligence and Foreign Policy, Dilemmas of a Democracy," article by William Barnds in Foreign Affairs, January 1969. A wide-ranging paper on intelligence activities, covert action, and public attitudes (17 pages).
- (f) "Intelligence and Covert Operations: Changing Doctrine and Practice," unpublished article by Paul Blackstock based on a questionnaire circulated among former intelligence officials. It raises many of the basic issues and offers a multitude of differing opinions (126 pages).

Possible Membership

Criteria:

- Knowledgeable about intelligence, foreign policy, and/or Government decision making and policy formulation.
- An informed, balanced judgment.
- A wide range of background and experience.

Suggested Members

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- Barry Carter - Washington Attorney; young (Robert McNamara's son-in-law); formerly NSC staff and DOD/ISA.
- Edmund Gullion - Dean, Flecher School of Law and Diplomacy (Tufts); former Ambassador.
- Jonathan Moore - Assistant Professor, Harvard (Kennedy School); formerly Special Assistant to Elliot Richardson in State Department and DOD.
- John Huizenga - Retired former Assistant Director (National Estimates) CIA.
- Harding Bancroft - Executive Vice-President, New York Times; formerly State Department official and ILO General Counsel.

Alternates:

- Ray Cline - Director of Studies, Center of Strategic and International Studies; formerly State Department Director of Intelligence; formerly Assistant Director, CIA.

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- Paul Warnke - Washington Attorney; formerly Assistant Secretary of Defense (ISA).
- Walter Slocombe - Washington Attorney; formerly NSC staff and DOD; young.



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- Ben Wellas - formerly Washington Correspondent, New York Times; Knowledgeable and responsible newspaper man.
- Klaus Knorr - Princeton Professor of Strategic Studies.
- Hugh Cunningham - Former CIA official (both Clandestine Services and Board of National Estimates).
- Harry Howe Ransom - Professor Vanderbilt University; Author of "The Intelligence Establishment".
- Larry Lynn - Brookings Institution; formerly NSC staff (young).
- George McGhee - Former Ambassador; former Under Secretary of State.

July 19, 1974

SUBJECT: Study Plan - Intelligence and Covert Action

1. The Problem.

- (a) What organizational and procedural steps should be taken to improve intelligence support for the conduct of foreign affairs, and what level of effort is required to provide adequate support?
- (b) Should the U.S. have a capability for covert political action; if so, where should the responsibility be lodged and under what controls should it operate?

Some important intelligence matters, including especially an examination of the usefulness of intelligence support in a variety of foreign policy situations, will be addressed in the case studies of the Commission's Research Plan. But many aspects of the organization and procedures of the intelligence community also deserve separate and reasonably comprehensive study. The agencies are large, costly, and important to the conduct of foreign policy. Furthermore, there is disagreement about the roles they should play in the post-cold war era. Some of the issues involved have not been thoroughly examined by previous commissions.

The problem of intelligence generally breaks down into the following components:

- (a) The Role of Intelligence. What is the proper function performed by intelligence in support of the conduct of foreign policy; what should it do and what should it not do? Involved here is an analysis of the manner in which intelligence can give support to a wide variety of customers. It also calls for a review of misunderstandings and different perspectives that distort the relationship between intelligence users and intelligence producers and collectors.
- (b) The Activities Appropriate to that Role.
 - 1. In the process of analysis to produce "finished" intelligence, what are the roles best played by the State Department (INR),

DIA, other Agencies, and the various analytical offices in CIA. What should be the system for producing National Intelligence Estimates?

2. What is the best organization for the collection of raw information in support of intelligence analysis and of policymakers who set priorities, allocate missions, and control collectors overseas; how much collection is related to foreign policy as opposed to other purposes; what are the strengths and weaknesses of collection by Foreign Service Officers, CIA stations, military attaches, and technical sensors; what is the procedure of disseminating raw data; what are the mechanisms for insuring feedback to the collectors?

- (c) The Role of the Director of Central Intelligence. What is the most desirable relationship of the DCI to the President and the National Security Council; what should be the extent of his authority over the full range of intelligence programs, military as well as civilian.

In addition to the foregoing aspects of the intelligence function, the problem of covert political action, including its sensitive relationship to clandestine intelligence collection, must be closely examined.

The Commission's exploration of the problems of intelligence and of covert action in relation to the Organization of the Government for the Conduct of Foreign Policy is made particularly difficult by (a) the size and complexity of the intelligence community, (b) the intricacy of the relationship between the several components of the intelligence effort and policymaking, but particularly (c) the highly classified nature of the intelligence function and materials. For these reasons, a special and quite different study plan must be developed.

2. Study Plan.

A Study Group composed of two or three Commission members and a number of experts knowledgeable about intelligence matters, drawn from several different quarters, will prepare conclusions and recommendations for the Commission's review. The group will be equipped to deal with classified information.

The Study Group will base its work on the findings of the case studies underway as part of the Commission's Research Program and on special preparatory materials developed by two complementary sets of studies.

The plan of study, therefore, falls into two stages:

STAGE I - Preparation of papers for the review of the Intelligence Study Group, as follows:

- (a) Analytical Issue Papers: Studies focused on specific issues, and problems prepared by informed observers from outside the intelligence community in accordance with the outline attached (TAB A). The research consultant supervisor is William R. Harris of Santa Monica, California. To the extent possible, this group of analytical issue papers will be unclassified although classified data will need to be reviewed in their preparation, including interviews with intelligence and policymaking officials.
- (b) A special "All Source Study," focused principally on findings and resulting changes of previous reports of the intelligence community. The "All Source Study" will be undertaken by the Intelligence Project Director, Kent Crane, with the assistance of a staff officer in accordance with the attached outline (TAB B). It is understood that this study must be handled in a special, limited access manner that would insure absolute protection of not only the security classification of the material but also agency views and plans which are understandably highly sensitive quite apart from classification.

The Deputy Director will assure that there is no duplication of interviews of agency personnel or requests for documentation on the part of those making the two sets of studies.

STAGE II - Intelligence Study Group to review the foregoing papers in conjunction with the findings of Research Program case studies, and to make recommendations on appropriate organization and procedures for intelligence support of the

conduct of foreign policy. The Study Group may require a number of meetings at spaced intervals over two or three months period. Under the overall direction of the Executive Director, the Intelligence Project Director will coordinate the staff support for the Study Group, and collate the data for the Commission.

INTELLIGENCE ANALYTICAL ISSUEPAPERSPaper #1, INTELLIGENCE FUNCTIONSAuthor: William J. BarndsCommentator #1: (to be determined, background
in intelligence production)Commentator #2: (to be determined, background
in policy uses of intelligence)Purpose: This paper would have two purposes:

(a) To define alternative, normative concepts of intelligence functions, and to link alternative conceptions of management responsibilities and functions. This paper would review the misunderstandings and different perspectives that distort the relationship between intelligence users and producers. In defining the proper function of intelligence, the author would stress the limits of the intelligence mission.

(b) To relate in broad terms the conceptions of function and performance to organizational and procedural alternatives. The paper would discuss the roles and relationships of the DCI; the NSC; the Intelligence Coordination Staffs, Committees, and Processes; and policymakers.

Research Methodology: review of literature on intelligence functions (Evans, Hilsman, Wilensky, Kent, Graham, etc.) interviews with selected intelligence producers and collectors (active and retired), policymaking consumers and military service consumers.

Anticipated length: 20-30 pages

Deadline for submission (in draft): September 9, 1974

Paper #2, INTELLIGENCE AND POLICYMAKING IN THE INSTITUTIONAL CONTEXTAuthor: William J. BarndsCommentator: to be determined

Purpose: This paper would relate the concepts of intelligence and the broad organizational and procedural alternatives (addressed in Paper #1) to the institutional mechanisms and practices of the Intelligence community. It would seek to address such questions as the following:

- If many of the demands of key consumers cannot be met, and if much of intelligence production is not read by the intended recipients, are there organizational implications?

- What is the need for mutual education of intelligence and policy officials?
- For the determination of production requirements and the process of analysis (estimative, current, and basic)?
- What should be done about the present intelligence requirements staffs?
- Can the intelligence system be reformed to provide more relevant, responsive products to consumer groups (more carefully differentiated) without compromising the independence or integrity of the intelligence analysts?
- How can analysts best be encouraged to initiate new intelligence products which are helpful to consumers?
- How can top quality analysts be retained and recruited for intelligence work?
- What are the responsibilities of policymakers to intelligence officers?

This paper would examine the role and performance of the NSC Intelligence Committee and other mechanisms for getting the consumers' points of view across to the intelligence community. It would also address the role of competition and coordination in intelligence analysis: in what areas is analytical duplication useful or counterproductive?

literature and

Research Methodology: Review of relevant/intensive interviews with intelligence producers, consumers, and other observers (below the level of the DCI or SecDef). All organization charts and descriptive reference material will be included in a detailed, classified appendix.

Anticipated length: 50-75 pages

Deadline for submission (in draft): September 27, 1974

Paper #3, INNOVATION IN INTELLIGENCE PRODUCTION

Author, Part I: Clinton W. Kelly, III

Commentator, Part I: Dr. Thomas Brown, Associate Head (Mathematics), The RAND Corp.

Author, Part II: to be determined

Commentator, Part II: to be determined

Part I: This paper would summarize prior work on probabilistic forecasting and scoring techniques to evaluate intelligence products and forecaster performance. Examples of experimental intelligence products would be included as a classified annex. The paper would differentiate between those topics which are particularly susceptible to quantitative analysis and those which are not.

Anticipated length: 30-40 pages

Deadline for submission (in draft): September 9, 1974

Part II: This paper would discuss new fields for intelligence research, such as environmental issues, certain aspects of economic intelligence (food production, climate forecasts, population studies, marine resources, etc.), international terrorism, and narcotics control. The paper would consider new consumers for intelligence support, not only within the U.S. Government but in international organizations such as the UN. The paper would also assess innovations in information processing, real-time consumer access, and alternative paradigms of analysis.

Anticipated length: 50-60 pages

Deadline for submission (in draft): September 9, 1974

Research Methodology: For Part I, revision of prior research. For Part II, interviews with methodology experts at the Center for Analytical Methodology, CIA, IC Staff, CCI, OPR, OSR, OER, OSD/NAG, etc. Both Parts I and II will be written on an unclassified basis, with classified appendices as necessary.

Deadline for submission (in draft): September 9, 1974

Paper #4, AUTHORITY FOR THE CONDUCT, AND MANAGEMENT OF FOREIGN INTELLIGENCE

Author: William R. Harris

Commentator #1: John T. Elliff, Brandeis University

Commentator #2: General Counsel, CIA

Purpose: This paper would discuss the constitutional and statutory base for foreign intelligence, with explicit reference to the National Security Act of 1947, the CIA Act of 1949, and the full range of NSC Intelligence Directives. The paper would address: the authority of the DCI and the IC Staff; the role of the President and Congress in delegating authority to collect intelligence information; the adequacy of the present authority for the conduct of covert operations

by the CIA and the DoD; the authority to collect information within the US; the authority to release information of commercial value; the authority to collect and disseminate information on international organizations and multinational corporations; the authority to exchange information with foreign governments; and the authority to protect intelligence sources and methods from unauthorized disclosure. The paper would suggest alternative approaches and discuss the pros and cons of recommending statutory reforms.

Research Methodology: This paper will be unclassified, though NSCIDs may be included as a classified appendix. Research will use public laws, Guide to CIA Statutes and Laws, legal commentaries, interviews with general counsels, and others involved in review of present authority.

Anticipated length: 40-60 pages
Deadline for submission (in draft): September 9, 1974

Paper #5, INTELLIGENCE RESOURCE MANAGEMENT

Author: Robert Macy

Commentator:

Purpose: This paper should address not only questions of efficient resource allocation but also the capacity of the DCI and others to make appropriate decisions and to manage resources appropriated to other agencies. The stress would be on these programs run by the Secretary of Defense on behalf of the national intelligence effort. The paper would examine the role of the Intelligence Resources Advisory Committee and the other committees that coordinate expensive and sensitive collections programs. What role should be played by OMB, the DCI, the IC Staff, PFIAB, and Congress? Is it practical to expect the DCI to exercise greater authority over the annual budget of the intelligence community and to set long range planning goals? Since the overwhelming share of the combined intelligence budget is expended by DoD agencies, with practical constraints upon intervention by the DCI or his IC Staff, what are the implications for the reorganization of DoD intelligence management? If there are systematic misallocations of resources, are there organizational or legislative reforms which are advisable? Alternative techniques for budgetary review of intelligence activities will be discussed. Alternative roles for intelligence consumers in determining intelligence expenditures or consumer-agency funds for acquisition of special intelligence products will be considered.

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Research Methodology: review of relevant literature (Marchetti/Marks, etc.); interviews with budget specialists in DoD, IC Staff, OMB, and IRAC.

Anticipated length: 30-50 pages (with classified appendix discussing specific budget figures)

Deadline for submission (in draft): September 9, 1974

Paper #6, CLANDESTINE OPERATIONS AND COVERT ACTION

Author: to be determined

Commentator: to be determined

Purpose: This paper will discuss the pros and cons of maintaining a capability for covert action, and the criteria which ought to govern its use. The paper will explore the relationship between covert action and human intelligence collection in terms of cover, coordination, personnel, management, and control. The paper will address problems of command and control inherent in highly compartmented operations, and it will examine carefully the review process of the 40 Committee and other oversight groups.

Research Methodology: Review of the extensive (largely critical) literature on clandestine operations; interviews with DoD hierarchy as available. Emphasis on organization and procedure, rather than on any specific operations. Paper to be unclassified, but may contain classified annex.

Anticipated length: 40-60 pages

Deadline for submission (in draft): September 9, 1974

TAB B

All Source Study

Study Purpose. An "all source" study project will be mounted to prepare a limited access report of perhaps 30-50 pages of analysis, without recommendation, of past studies and reports on the intelligence community. Requests for interviews, documents, written questions and possibly for reasonable staff assistance may be made to the DCI. As with the complementary Analytical Issue Papers on Intelligence, the "All Source " project will be designed for the sole purpose of assisting the Study Group in arriving at findings and recommendations for review by the Commission.

Methodology. The Commission, with the assistance of the DCI, would obtain copies of a limited number of previous reports to be stored in the PFIAB vault. The Intelligence Project Director and a staff officer would carry out a number of interviews in order to judge the effectiveness of these studies and reforms and present an analysis of the critical elements for Study Group review.

Timing. Study to be completed by October 1.